

DEPARTMENT OF INSURANCE**Legal Division, Corporate Affairs Bureau**45 Fremont Street, 24th Floor
San Francisco, CA 94105**NOTICE****Date:** June 16, 2017**To:** All Licensees and Other Interested Persons**Subject:** Motor Club Bond

The Department of Justice at the request of the California Department of Insurance has adopted section 50.8 to Title 11 of the Code of Regulations Article 19 promulgating a revised motor club bond effective upon filing with the California Secretary of State on May 16, 2017. This bond form is effective for immediate use.

A copy of the Notice of Filing and Printing Only, Notice of Publication of Regulations Submission Form 400 and bond form are with this notice, posted on the Department of Insurance Website.

If you have any question regarding this bond form, please contact Jill Jacobi at (415) 538-4426 or at Jill.Jacobi@insurance.ca.gov.

**State of California
Office of Administrative Law**

In re:
Department of Justice

Regulatory Action:

Title 11, California Code of Regulations

Adopt sections:

Amend sections: 50.8

Repeal sections:

NOTICE OF FILING AND PRINTING ONLY

Government Code Section 11343.8

OAL Matter Number: 2017-0424-06

OAL Matter Type: File and Print Only (FP)

This action submitted by the Department of Justice is a request to file and print the approved revised surety bond form of the Department of Insurance, "Motor Club Bond" pursuant to Government Code section 11343.8.

OAL filed this regulation(s) or order(s) of repeal with the Secretary of State, and will publish the regulation(s) or order(s) of repeal in the California Code of Regulations.

Date: May 16, 2017



Kevin D. Hull
Senior Attorney

For: Debra M. Cornez
Director

Original: Xavier Becerra
Copy: Karen W. Yiu

NOTICE PUBLICATION/REGULATION SUBMISSION

(See instructions on reverse)

For use by Secretary of State only

STD. 400 (REV. 01-2013)

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-	REGULATORY ACTION NUMBER 2017-0424-06FP	EMERGENCY NUMBER
For use by Office of Administrative Law (OAL) only			
NOTICE		REGULATIONS	

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

MAY 16 2017

1:40 PM

AGENCY WITH RULEMAKING AUTHORITY
Department of Justice, for the Department of Insurance

AGENCY FILE NUMBER (if any)

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Department of Insurance bond form		1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)	
2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)			
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)		ADOPT	
TITLE(S) 11, Div. 1, Chapter 2		AMEND Article 19, section 50.8 Motor Club Bond	
		REPEAL	
3. TYPE OF FILING			
<input type="checkbox"/> Regular Rulemaking (Gov. Code §11346) <input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §511349.3, 11349.4) <input type="checkbox"/> Emergency (Gov. Code, §11346.1(b)) <input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §511346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute. <input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1) <input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h)) <input checked="" type="checkbox"/> File & Print <input checked="" type="checkbox"/> Other (Specify) <u>Revision of surety bond form</u> <input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100) <input type="checkbox"/> Print Only			
4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)			
5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)			
<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a)) <input checked="" type="checkbox"/> Effective on filing with Secretary of State <input type="checkbox"/> \$100 Changes Without Regulatory Effect <input type="checkbox"/> Effective other (Specify)			
6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY			
<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660) <input type="checkbox"/> Fair Political Practices Commission <input type="checkbox"/> State Fire Marshal <input type="checkbox"/> Other (Specify)			
7. CONTACT PERSON Karen W. Yiu		TELEPHONE NUMBER 510-879-1245	FAX NUMBER (Optional) E-MAIL ADDRESS (Optional)

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

DATE

Karen W. Yiu
TYPED NAME AND TITLE OF SIGNATORY
Karen W. Yiu, Deputy Attorney General

April 20, 2017

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

MAY 16 2017

Office of Administrative Law

State of California

Department of Insurance

Motor Club Bond

Form 50.8 (Rev 4/2017)

California Code of Regulations Title 11 section 50.8

Corporate Affairs Bureaus I & II
45 Fremont Street 24th Floor
San Francisco, CA 94105
Information 415-538-4000
www.insurance.ca.gov

State of California
Department of Insurance
MOTOR CLUB BOND
(California Insurance Code sections 12162 and 12163)

Bond No. _____
Premium: \$ _____

KNOW ALL BY THESE PRESENTS:

That the undersigned _____, a
corporation created, organized and existing under and by virtue of the laws of the State of
_____ whose address for service is

Street Address
_____, and being an applicant for or the
City State Zip Code
holder of a Certificate of Authority authorizing it to sell or furnish motor club services within
the State of California, as Principal,
and _____, an admitted surety
insurer whose address for service is _____

Street Address
_____, authorized to
City State Zip Code
Transact the business of surety in the State of California, as Surety, are held and firmly bound
unto the People of the State of California in the penal sum of ONE HUNDRED THOUSAND
DOLLARS (\$100,000), lawful money of the United States, for which payment well and truly to
be made, we bind ourselves, our successors and assigns, jointly and severally, firmly by these
presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH:

First: That if said Principal shall faithfully conform to all the provisions of the law of the State of California pertaining to the sale and rendering of "Motor Club Service" as defined and provided Part 5, Division 2 of the Insurance Code of the State of California; and

Second: That if said Principal shall promptly pay all fees, fines, and penalties which may be levied against it under authority of law; and

Third: That if said Principal shall faithfully furnish and render to all persons whose applications for membership have been accepted, any and all of the motor club services sold or offered for sale by it;

Then this obligation shall be void; otherwise to be and remain in full force and effect.

This bond is executed by the Surety to comply with and the bond shall be subject to the provisions of Part 5 (commencing with section 12140) of Division 2 of the California Insurance Code, and to the provisions of Chapter 2 (commencing with section 995.010) of Title 14 of Part 2 of the California Code of Civil Procedure.

The aggregate liability of the Surety hereunder on all claims whatsoever shall not exceed the penal sum of this bond in any event.

By executing this bond, Principal and Surety agree any action on this bond shall be instituted and prosecuted in the counties of the State of California, with service by U.S. mail as prescribed in the California Code of Civil Procedure sections 417.10 and 417.20 and this bond shall be governed by the laws of the State of California.

This bond shall take effect on _____, 20____, but not prior to the date of its execution. If no date is hereinabove written, it shall take effect on the later of the two dates of execution set forth below. This bond is applicable to the license period expiring by lapse of time not later than July 1, 20____, and all succeeding license periods for which renewals of Certificate of Authority issued to said Principal are applicable, unless canceled by action of the Surety.

The Surety may relieve itself of further liability hereunder by filing a notice of cancellation with the Insurance Commissioner, and at the same time serving a similar notice on the Principal. At the expiration of thirty (30) days after the filing of such notice of cancellation, or upon the filing and acceptance of a new bond, whichever event first occurs, this bond is terminated and the Surety is relieved of all liability which otherwise thereafter would arise hereunder. Cancellation pursuant to this provision shall not relieve the Surety of liability arising prior to termination.

IN WITNESS WHEREOF, the Principal, by an authorized officer, has signed and affixed its seal at _____, _____, this _____ day of _____, 20____, and the Surety has affixed its seal signed by its respective officers, or

Attorney-in-Fact, duly authorized, at _____
_____, _____, this _____ day of _____, 20 _____.
State

Principal

(SEAL)

By _____
Name

Title

(SEAL)

Surety

By _____
Name

Title

By _____
Name

Title

Note: Execution of motor club bond is governed by the instructions set forth in California Code of Regulations, title 11, section 50.10.